

SENATE FINANCE COMMITTEE
March 25, 2021
9:00 a.m.

[9:00:50 AM](#)

CALL TO ORDER

Co-Chair Bishop called the Senate Finance Committee meeting to order at 9:00 a.m.

MEMBERS PRESENT

Senator Click Bishop, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Lyman Hoffman
Senator Donny Olson
Senator Natasha von Imhof
Senator Bill Wielechowski
Senator David Wilson

MEMBERS ABSENT

None

PRESENT VIA TELECONFERENCE

Rob Carpenter, Deputy Commissioner and Statewide Planning Director, Department of Transportation and Public Facilities; Ben White, Director of Program Development, Department of Transportation and Public Facilities.

SUMMARY

^PRESENTATION: DEPARTMENT OF TRANSPORTATION:
PROGRAM DEVELOPMENT/STIP/CAPITAL BUDGET

[9:02:16 AM](#)

ROB CARPENTER, DEPUTY COMMISSIONER AND STATEWIDE PLANNING DIRECTOR, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (via teleconference), introduced himself and his colleague.

[9:02:45 AM](#)

BEN WHITE, DIRECTOR OF PROGRAM DEVELOPMENT, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, discussed the presentation "Statewide Transportation Improvement Plan (STIP) Capital Budget - Advance Construction" (copy on file).

Mr. White turned to slide 2, "How we'll walk you through it":

STIP
CAPITAL BUDGET
ADV. CONSTRUCTION
IMPROVEMENTS

Mr. White conveyed that the Statewide Transportation Improvement Program (STIP) was the Department of Transportation and Public Facilities' method of managing the capital budget.

[9:03:54 AM](#)

Mr. White spoke to slide 3, "Statewide Transportation Improvement Plan (STIP)":

- The STIP is a 4-year plan that is required by federal regulations (23 USC 135 & 23 CFR 450) that lists out all the federally funded, and regionally significant surface transportation projects within the state.
- Must be fiscally constrained.
- Required to be developed with a public process
- Approved by Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA)
- Failure to comply with federal regulations and requirements will jeopardize federal funding for transportation infrastructure in Alaska.

[9:06:17 AM](#)

Co-Chair Stedman asked about the bullet that indicated that the STIP had to be "fiscally restrained." He recalled that the majority of the funding was federal. He asked Mr. White to elaborate on the statement and asked whether more federal money could be available to the state if it could increase the state match.

Mr. White explained that fiscal constraint signified that DOT could not have more projects in the STIP than there

were funds available. He continued that with each transportation bill passed by congress there was an anticipation of how much federal funding the state should receive. He said that the department could not program more projects than they had funding for; the department could not make the federal government provide more funding than was anticipated.

[9:08:16 AM](#)

Co-Chair Stedman asked about the STIP being a four-year plan. He asked Mr. White to explain the plan in further detail.

Mr. White stated that the department projected needs out 10 years in advance and that the STIP was the portion required by the federal government. He reiterated that the department could project out 10 years and had a Long-Range Transportation Plan, which was identifying priorities and needs across the state over 40 years.

[9:09:10 AM](#)

Senator von Imhof asked about federal limitations that might limit how much the department could put toward administrative costs versus construction costs.

Mr. White relayed that some federal agencies would establish an indirect cost threshold. He cited that the Federal Transit Administration a limit of no more than 10 percent administrative costs. He said that other agencies allowed for negotiations.

Senator von Imhof asked whether there was an upcoming slide that would show what portion of federal funding going toward administrative costs.

Mr. White agreed to provide the information.

[9:10:39 AM](#)

Senator Hoffman noted that in past years, the state had taken excellent opportunities in extending STIP appropriations. He wondered whether the department had worked to capture any redistributed federal dollars for the state.

Mr. White stated that the department had worked diligently to maximize federal funding as well as capture any redistributed federal dollars. He said that over the previous two years, DOT had record amounts of redistributed funds because they had effective plans that were ready for proposal.

[9:12:34 AM](#)

Senator Wielechowski asked whether there were federal funds that Alaska was eligible for but had not applied for in the last two years.

Mr. White affirmed that the department had worked diligently to procure federal fund available to the state. He stated that the department had applied to federal discretionary grant programs. He noted that there was an upcoming slide that would address federal fund obligations.

[9:13:33 AM](#)

Mr. White addressed slide 4, "2020 -2023 Planned Funding Distribution":

Northern Total - \$1,029,735,661 - 26 percent
Central Total - \$1,632,895,900 - 40 percent
SouthCoast Total - \$429,062,291 - 11 percent
Statewide Total \$814,247,743 - 20 percent
AMHS Total - \$115,960,000 - 3 percent

- 261 Projects in the current STIP
- \$4B total programmed in the current 4 year STIP, or ~\$1B/Year
 - \$660M-\$700M/year Highways
- Development of 2022-2025 STIP starts this Fall.

Mr. White noted that the department had historically not left any federal dollars on the table.

[9:15:04 AM](#)

Mr. White advanced to slide 5, "The STIP Process," which showed four connected flow charts entitled "Needs' Sources," "Needs Evaluation and Management," "Call for Projects," and "STIP Cycle." He explained that the slide showed how the STIP was developed. He noted that the department would work closely with local constituencies,

industry officials, and the military to determine the needs of the state. He noted that the department was starting to look at its own data, including pavement, bridge condition, and traffic and crash data on highways. He relayed that the information was pooled together to determine the needs of the state. He discussed the process from needs sources to needs evaluation and management. He detailed the process for the call for projects and the eventual STIP cycle. He discussed the Project Evaluation Board (PEB), which consisted mainly of executives within the department. The PEB was a public process, open to the public for comments and feedback on the projects and the scoring.

9:18:00 AM

Co-Chair Stedman asked Mr. White to discuss the PEB. He asked about the members of the board and how to get a seat on the board. He assumed that the board made the ranking and the decisions. He queried how other states prioritized capital projects.

Mr. White explained that the PEB was spelled out in regulation and was generally peopled with leadership such as the commissioner, deputy commissioner, and regional directors. He explained that every state had a process by which it evaluated projects. Some states used computer systems, and others used a board, panel, or committee that evaluated projects.

Co-Chair Stedman thought some states had a committee appointed by the governor. He cited that Alaska's committee was comprised of only upper management of DOT, who ranked all the decisions. He was concerned that some projects might never be realized. He appreciated the work of DOT to clearly relay to communities whether or not projects would come to fruition and how long those projects would take.

9:21:20 AM

Co-Chair Bishop asked how many people sat on the PEB.

Mr. White replied that the board had six or seven seats.

Co-Chair Bishop assumed regional managers were part of the board.

Mr. White replied in the affirmative.

Co-Chair Bishop thought that the PEB was similar to a grant review board.

[9:22:30 AM](#)

Mr. White referenced slide 6, "Federal Limitation Over Time," which showed a bar graph demonstrating what the departments federal limitation had been from FY 10 to FY 21. He noted that there was a slightly upward trend as the federal government was putting a little more funding into infrastructure. He noted that the last three or four years there had been a significant increase in the state's federal limitation.

Mr. White continued to address slide 6. The blue on the chart signified federal funds that came in based on formula with variables such as population and road miles. The grey bars indicated monies that were not held to any type of funding formula. He drew attention to FY 10, FY 11, and FY 12, which contained earmark funding.

[9:24:46 AM](#)

Co-Chair Stedman asked whether Mr. White could discuss the funding split between federal and state highways.

Mr. White acknowledged that there were functional classifications for the roads in the state for which federal funding could be applied. In Alaska there was the National Highway System (NHS) and the Alaska Highway System (AHS). He said that the public could look to the department's website to determine whether the road in question was under state or federal jurisdiction. He shared that each federal funding source had restrictions on where the funding could be applied. The most flexible allocation of funding was the Surface Allocation Block Grants, which could be used for both the AHS and the NHS. He added that within statute and regulation there is a defined percentage of funding that the department could consider when allocating federal funding to the NHS and the AHS.

[9:27:12 AM](#)

Co-Chair Stedman referenced AHS maintenance and construction needs. He wondered how the legislature could target areas of funding for the AHS maintenance and construction while dealing with the regulatory split of the

funds. He asked whether the state was hindered in any way by the regulatory environment.

Mr. White thought Co-Chair Stedman's inquiry held a few questions. He noted that the department was working with federal partners to establish how federal funding could be spent. He said that federal funding was typically been used for construction. He explained that maintenance had typically and historically been a state-funded activity. The department was working with the federal government to develop a preventative maintenance program. He shared that the department struggled to balance NHS needs with AHS needs. He stated that prioritizing needs was one of the greatest challenges to the department.

[9:29:48 AM](#)

Co-Chair Stedman noted that over the years the legislature had considered federal funding and STIP match funding. He did not want to inadvertently ignore the state's highway system. He thought everyone had heard the argument against new construction when there was maintenance needed.

[9:30:52 AM](#)

Co-Chair Bishop agreed with Co-Chair Stedman's comments. He thought people needed a clearer picture. He thought typically preventative maintenance would fall within DOT's preview. He thought Mr. White had expressed that the department was looking to find more ways of funding that day-to-day maintenance. He commented that the legislature had cut 180 positions from DOT maintenance and operations and the motor fuel tax had continued to decline.

[9:32:39 AM](#)

Mr. White discussed slide 7, "Federal Funds Distribution," which showed a table detailing federal funds distribution. The two larger funding sources DOT had throughout the year was the National Highway Performance Program (FAST) and the Surface Transportation Block Grants (STBG), each of which had its own eligibility and performance requirements. He said that the department worked to use the funds that were most restrictive, and earliest lapsing, first. He noted that the funding was complex, and many funding codes could be used on one project.

Co-Chair Bishop asked Mr. White to give the committee an example of how many federal funding codes might be used in a year.

Mr. White shared that in any given year, the department had approximately 20 different funding codes used.

Co-Chair Bishop asked whether there was a fund that was easier to access than others.

Mr. White explained that the STBG was the most flexible, and the funds could be used on nearly any highway project necessary.

[9:35:04 AM](#)

Mr. White turned to slide 8, "Federal Obligations by Year," which showed a bar graph. He relayed that the department worked to obligate every federal penny given to the state. He observed that over the course of time on the graph the funds had fluctuated. He pointed out the American Recovery and Reinvestment Act (ARRA) had contributed to funds in FY 15. He stated that the department had increased efforts over the last three year to seek out more federal funding from programs that may not have been maximized in the past. He noted here had also been a significant increase in August redistribution in the last two years. The federal government had also provided additional highway infrastructure program funding, which had been allocated to bridge rehabilitation programs.

[9:36:26 AM](#)

Senator von Imhof confirmed that the yellow bar represented funding for the Alaska Marine Highway System (AMHS).

Mr. White replied in the affirmative.

Senator von Imhof observed that the AMHS funding had been robust in 2014, 2015, and 2016, but had dropped to zero by FY 21. She queried the drop in funding.

Mr. White explained that the numbers were not complete for 2021, which was why it was not reflected on the chart. He said that in the other years the numbers could be because there had been big program years in 2014 through 2016, and

not in the other years. He noted that funds fluctuated over time and might be indicative of vessel construction.

9:38:02 AM

Co-Chair Stedman asked for an example of AMHS expenditures represented on the graph.

Mr. White stated that much of the expenditures represented on the graph were for ferry refurbishment. He listed steel replacement, engine overhauls, and the like.

Co-Chair Stedman reflected on concerns that maintenance had not been kept up on for older vessels.

Co-Chair Stedman asked about an old project involving a bridge in Ketchikan (Gravina Island Bridge). He thought there was some residual clean-up of leftover funds. He asked how such an event might be reflected in the chart. He asked whether the bridge appropriation would show up in the chart.

9:40:31 AM

Mr. White affirmed that there had been earmarked funding for the project in Ketchikan. There had been a portion of the funding reused and reappropriated for other parts of the state. He noted that the chart showed a big increase in FY 19 and FY 20, which indicated that none of the funding had lapsed. There had been a big push the previous year to obligate the funding so it would not be lost. He said that much of the earmarked funding had been obligated in Ketchikan over the last two years.

9:41:42 AM

Co-Chair Stedman understood that there was a federal edict that required funds from older appropriations had to be expended within 50 miles of the original project. He was confused whether the original \$90 million for the bridge project was included in the SouthCoast grey portions on the chart.

Mr. White explained that there had been such an edict. He said that the department had worked with the governor's office to pull the funding and allocate it to Ketchikan.

[9:42:59 AM](#)

Co-Chair Stedman asked for numerics for the chart. He thought it would be helpful to see the funds for each category.

Co-Chair Bishop asked Mr. White to provide the updated numerics.

[9:43:39 AM](#)

Senator Wielechowski asked about the status of the Knik Arm Crossing project.

Mr. White responded that the department was still evaluating the project. He said some earmarked funding still remained and that discussions with the governor were ongoing.

Senator Wielechowski asked how much money was still earmarked for the project and when the funding would expire.

Mr. White stated there was approximately \$35 million tied to the earmark for the Knik Arm project. He thought there was a chance that Congress would bring earmarked funding back into the next transportation bill. He noted that earmarked funding did not expire, there was a chance that congress could sweep outstanding earmarks.

[9:45:24 AM](#)

Senator Wielechowski asked for a list of earmarked funds.

[9:45:40 AM](#)

Co-Chair Bishop asked about status of the Juneau Access Project.

Mr. White stated that the project was at a resting point. He said that the department had signed off on a record of decision with the Federal Highways Administration for no-build. He stated that the project was on long-term pause due to the National Environmental Policy Act (NEPA) process.

[9:46:42 AM](#)

Co-Chair Stedman asked about the status of a project to put sleeping quarters on the two new Alaska Class Ferries. He wondered whether the project was, or would be, in the STIP.

Mr. White responded that the department was looking at the project and it could be included in the STIP under ferry refurbishment. He said that a funding source to move the project forward had not been identified.

[9:47:53 AM](#)

Co-Chair Bishop wanted to revisit an earlier question regarding FY 15, and the American Recovery and Reinvestment Act (ARRA) funds. He recalled that the state was able to receive an additional \$144 million because of shovel ready projects.

Mr. White recalled the funds and said that at the time the ARRA funding had been received there were several projects already streamlined that could be expedited to take advantage of the additional funds.

Co-Chair Bishop commented that he hoped DOT had the same expertise going forward, as federal infrastructure dollars would again be available.

[9:49:13 AM](#)

Senator Hoffman discussed the aforementioned projects: Juneau Access, the Knik Arm Project, and the bridge in Ketchikan. He wondered how many new projects had been developed over the last 5 years to meet the transportation needs of the state. He asked about the Yukon-Kuskokwim Crossing.

Mr. White agreed to provide the information.

[9:50:55 AM](#)

Senator von Imhof queried the options open to the legislature to fund specific roads.

Mr. White stated there were several options. He said that DOT could look to expedite projects using state funding or incorporating the project into the STIP. He related that DOT could work with local authorities and share the expense between federal and state dollars.

[9:52:39 AM](#)

Mr. White spoke to slide 9, "Funds Management - Challenges":

- Inconsistency in federal funding availability
- Multiple years of projects to manage in the STIP, several phases
- Project delivery is fraught with delays and slippage
- Project funding follows delivery, but is temperamental
- Maximizing flexibility absorbs this slippage

Mr. White discussed funding challenges. He noted that funding was given based on the phase of the project. He shared that there were many different things to manage outside of funding.

[9:54:31 AM](#)

Co-Chair Bishop asked whether Mr. White could address what happened to funding after a project came in with a low bid. He wondered where any residual funds would go.

Mr. White informed that if a project came in with a lower bid, funding could be taken back and allocated to a different project. He observed that bids were coming in both lower and higher than anticipated in different parts of the state.

[9:56:15 AM](#)

Senator Wielechowski asked whether maintenance such as snowplowing was strictly state funded. He had heard from his constituents that there was a problem with snow plowing resulting in large snow berms that blocked driveways.

Mr. White noted that maintenance operation was not a federally funded activity. He cited that depending on the street the maintenance and snow removal could be locally managed and likely state funded.

Senator Wielechowski asked how to address the berms left by plowing in his district.

Mr. White offered to reach out to the maintenance team within Senator Wielechowski's region. He noted that he did not manage the maintenance team.

Mr. Carpenter stated that the issue was a challenge. He explained that vehicles were often plowing at high speeds and working in an expeditious manner. He was not familiar with the road mentioned by Senator Wielechowski but would discuss the issue with regional directors. He reiterated that providing services could sometimes mean small inconveniences to residents.

[9:59:40 AM](#)

Co-Chair Bishop noted that in years past, before many positions were cut, a wheel loader would follow behind plows to clear driveways.

[10:00:02 AM](#)

Co-Chair Stedman thought there might be a substantial infrastructure package coming later in the year due to Covid-19 federal funding. He wanted a briefing on the ability of DOT to respond and absorb the funds. He asked how to respond to a large sum of funds when programming was so tightly programmed into the next 4 years.

[10:01:47 AM](#)

Mr. White addressed Co-Chair Stedman's question about potential significant federal funding. He said that his team was tracking the infrastructure bills as they moved through congress. He related that the department was working to identify projects that could advance quickly once the federal funding was allocated. He said that most of the projects in the 10-year plan were waiting for federal funding. He shared that the department was working with regional teams to be sure projects were ready to maximize funds once they were released.

[10:03:05 AM](#)

Senator von Imhof thought the ports in the state were a huge asset and commented on the size of Alaska's seacoast.

She wondered who was responsible for the Port of Anchorage. She understood that the Port of Anchorage was a strategic seaport. She pondered whether the funding would come from the United States Department of Defense as the seaport was strategic. She thought the issue had been clouded as previous federal funds were involved in a failed upgrade that was currently the subject of a lawsuit. She pointed out that the port fell under transportation, commerce, and defense; federal, state, and municipal. She queried whether the Port of Alaska was on DOT's radar in any way.

Mr. White stated that the long-range transportation plan included consideration of the marine highways and ports. He said that there had not been anything allocated to state transportation departments for port construction. He shared that the port would be considered in the department's long-range planning.

[10:06:19 AM](#)

Senator von Imhof hoped that DOT communicated with the Port of Anchorage and other state departments and the federal government. She emphasized that the port was vital to the state. She hoped the port could be elevated in importance and become a higher priority.

[10:07:11 AM](#)

Mr. White addressed slide 10, "Advance Construction (AC): Purpose and Need":

- AC is a critical financing and funds management tool for DOT&PF
- US DOT gives States the authority to use AC
 - No obligation of funds & authorizes work
- Supports Effective, Efficient, & Continuous Project Delivery
- Bridges gaps in delay in federal budget or State & Federal fiscal year overlap
- Assists with STIP fiscal constraint by spreading large projects over several years, similar to amortization
- Maximizes available funding
- Alaska DOT&PF uses "Planned AC" and "Managed AC"

Mr. White noted that AC (advanced construction) was a method used by DOT to advance projects through the STIP and

Managed AC was more short term to get through the federal fiscal year.

[10:10:08 AM](#)

Mr. White advanced to slide 11, "Planned Advance Construction (AC)":

- **Programmed in the STIP with "payback" or conversions**
- **Project phases must be fully obligated all at one time**
 - Causes issues with very large projects, Examples:
 - Tustumena @ \$200M+ (33% of 1 year program)
 - Cooper Landing @ \$500M+ (92% of 1 year program)
 - Using AC allows the State to smooth out the effect to obligation authority
- **Project can proceed without committing federal or State funds**
 - As expenditures begin to accrue, those are converted to Federal funds
- **Supports Effective, Efficient, & Continuous Project Delivery**
- **Maximizes funds available**

Mr. White cited the conversions on the slide, which indicated when the federal payback occurred. He mentioned that AC allowed for spreading out payments over several years for larger projects. He said that the process helped to expedite the various aspects of a project; project development moved faster and more efficiently.

[10:12:26 AM](#)

Co-Chair Bishop discussed AC funds. He said that there were 50 federal agencies the department had to work with in order to build a project. He thought the rule of thumb was from inception to going out to bid, the time frame was six years provided there were no delays. He wondered whether this timeframe was still relevant.

Mr. White estimated, depending upon the scope of the project, it took five to ten years to develop. He noted that remote locations could see faster development. He thought six years was a fairly good estimate. He shared that the commissioner had tasked the department with finding ways to provide faster project delivery.

[10:14:51 AM](#)

Co-Chair Bishop asked whether DOT used AC dollars for front-end permitting and engineering for projects.

Mr. White explained that DOT used AC to streamline projects to deliver the final product faster.

Co-Chair Bishop asked about the timeline to build a road if DOT was using pure state General Fund (GF) dollars.

Mr. White estimated that such a project could be completed in three to five years. He added that most of the time there was a federal permit process that would come into play, which could cause delays.

[10:16:35 AM](#)

Co-Chair Stedman commented that he did not see much of a time difference between the two types of projects in his district. He appreciated DOT trying to accelerate the process. He mentioned the M/V Tustemena and Cooper Landing examples from slide 11. He asked for an update on the two projects, including how long each had been in the planning process.

Mr. White shared that the department currently had the construction phase in the STIP for the M/V Tustemena project. He said that the project could be advanced at any point to a year when there was funding for construction. He relayed that the design was at 60 percent and additional work was being done to identify fund sources.

[10:18:59 AM](#)

Co-Chair Stedman asked about Cooper Landing.

Mr. White shared that DOT was currently clearing the right-of-way and involved in the final design process. He said that the project had been split into four phases in the

STIP and DOT was staring on either end of the landing. He stated that the first phase of construction would begin in 2021.

Co-Chair Bishop asked how many miles of road were involved in the Cooper Landing project.

Mr. White estimated that the STIP listed 45 to 60 mile points, but the figure did not equate to road miles.

[10:20:28 AM](#)

Mr. White referenced slide 12, "Managed Advance Construction (AC)":

Managed AC is typically not included in the STIP and does not have planned AC paybacks. This is AC that is programmed and converted typically in a fiscal year.

- Supports Effective, Efficient, & Continuous Project Delivery**
- Bridges gaps due to delay in federal budget**
- Maximizes funds available**

Mr. White noted that an upcoming slide would address the use of more advanced construction at the beginning of the federal fiscal year. He shared that managed AC was a funds management tool within fiscal years and did not appear in the STIP as planned AC.

[10:21:49 AM](#)

Mr. White discussed slide 13, "FFY20 Net Use of Advance Construction (AC)," which showed a bar graph depicting federal obligations and advance construction for the period of time from October 2019, to September 2020. He noted that AC was being used more for to expedite the process. He pointed out that federal obligation dropped off in December 2020, but January and February 2021 offered more federal funding. He pointed to the pink bars below the axis on the graph, which indicated where conversions had been applied and funds had been paid back.

[10:23:15 AM](#)

Mr. White spoke to slide 14, "AC Year-End Balances, by type (in millions)," which showed a table listing the types of fund balances from FY16 through FY20. He shared that DOT

had set internal thresholds of \$250 million. He stressed that maintaining the programmed AC was a priority for DOT.

Co-Chair Bishop queried the "Other AC" column.

Mr. White explained that the "Other AC" referred to programs that the department had beyond surface transportation and the railroad. He related that the category was a "catch all."

Co-Chair Bishop asked whether the AC funds were used for the Fairbanks Area Surface Transportation (FAST) or the Anchorage Metropolitan Area Transportation Solutions (AMATS).

Mr. White replied that DOT was crafting a policy to establish thresholds and limits to apply when working with both entities.

[10:26:16 AM](#)

Mr. White advanced so slide 15, "Improvements to Program Development":

Performance Based Planning & Programming (PBPP)

- Data-driven decision making
- Establish performance targets and priorities
- Uses asset condition, performance, socioeconomic, and other metrics to drive investment decisions
- Creates a hierarchy of authority, starting with the Long Range Transportation Plan (LRTP), Policy & Procedure, the STIP, etc.

Capacity Enhancement - **"Make New"**

Modernization - **"Improve What we Have"**

State of Good Repair - **"Maintain What we Have"**

Recurring and Required Programs

Mr. White emphasized that DOT was trying to make the best investment decisions with federal funding.

[10:30:32 AM](#)

Senator Hoffman acknowledged there was always more projects than funds available. He asked whether the department

considered all areas of the state and equal access to all areas as part of performance-based programming.

Mr. White acknowledged that there was a challenge to balance projects in Alaska. He discussed urban capacity needs compared to simple access issues in rural Alaska. He said that establishing statewide priorities and looking a fund allocation to ensure equitability were key drivers to project conversations.

10:32:24 AM

Co-Chair Stedman spoke of pavement life concerns. He asked how the pavement metrics fit into DOT's planning.

Mr. White affirmed that the asset management plan was meant to address the pavement issue. He elaborated that DOT considered pavement condition as well as exploring new types of pavement. He said that the projects would be preventative to solve maintenance issues before they became major problems.

10:34:17 AM

Co-Chair Bishop thought Co-Chair Stedman brought up a good point. He thought there was a way to get more life out of the state's asphalt through public education. He discussed his past commuting from Anchorage to Palmer. He suggested having drivers splitting their tracks on the asphalt to get more life out of the asphalt.

10:35:23 AM

Senator Hoffman recalled several years previously DOT had done an educational outreach regarding use of studded tires. He discussed improved tire technology and asked whether DOT was looking into the issue.

Mr. White stated that studded snow tires were a concern of DOT. He pointed out that there was a social media campaign to educate drivers on the impact of studded tires. He discussed the concern of asphalt rutting, which was prevalent in areas and stemmed from studded snow tire use on pavement. He noted that DOT's research group was looking into the issue. He cited that educating the public was a priority.

[10:37:27 AM](#)

Mr. White turned to slide 16, "Improvements to Program Development":

eSTIP: Technological solution to expedite STIP development and update data.

- Leveraging innovative solutions
- Public Involvement Portal with all projects mapped
- Information Systems within the Department linked:
 - This allows us to automate tasks - increasing efficiency
 - Connects STIP to Federal funding system for more real-time data/status
 - Enhanced reporting

Mr. White relayed that the department was still working on getting a contractor to facilitate the project of eSTIP. He shared that the new system would provide access to the public for seeing details on STIP projects. He noted that eventually the system would tie into a system for tracking federal funds. He said that the program would provide more real-time data to the public. He relayed that the project had been under discussion for over 10 years.

[10:39:54 AM](#)

Senator Olson asked about the movement of personnel in the Northern region of the state. He thought it seemed as if professionals were being moved from Nome to Fairbanks.

Mr. White deferred the question to Mr. Carpenter.

Mr. Carpenter was not sure he could fully address Senator Olson's question. He referenced agency-wide and statewide recruitment problems, which could be a function of finding the right people for the jobs and employing them in areas where they wanted to live. He agreed to provide the information at a later date.

Senator Olson asked whether a response would come before the end of the current legislative session.

Mr. Carpenter answered in the affirmative.

Senator Olson asked about a snow blower for Golovin. He discussed the runway at the airport in Golovin and stressed that the taxiway filled with snow necessitating help from DOT. He was troubled that there were no DOT representatives available in the area to address the issues.

Co-Chair Bishop hoped the snow blower could be a reality in Golovin.

10:43:23 AM

Co-Chair Stedman wanted to help with some reconciliation between slide 6, and slide 14, concerning the AC year-end balances. He pointed out that the year-end balance on slide 14 was \$286.9. He asked how the offset was reflected on slide 6 for FY 20. He wondered whether the 286.9 was reflected in the bar for FY 20 on slide 6.

Mr. White stated that for AC, the department only tapped into federal funding at the time on conversion. He explained that a portion of what was showing in the AC balance was tied into the total obligations for the year, however; AC was more of a placeholder until the project was obligated with federal funds.

Co-Chair Stedman asked about the totals on slide 14. He understood that a percentage of the funds were paid back each year. He asked Mr. White to provide figures as to how much was paid back per year and how much was added, as well as the ending balance.

Mr. White agreed to provide more detail on the allocation and the AC conversions.

10:45:51 AM

Co-Chair Stedman thanked the department for the presentation. He thought Mr. White had done a good job presenting complex information.

Co-Chair Bishop echoed Co-Chair Stedman's comments.

Co-Chair Bishop discussed housekeeping including the agenda for the following day.

ADJOURNMENT

10:47:58 AM

The meeting was adjourned at 10:47 a.m.